

### OPEN HOUSE FOR DEXTER APARTMENTS II

An open house sponsored by USDA Rural Development (RD), Missouri Housing Development Commission (MHDC), MACO Management Company, Inc., and Delta Area Economic Opportunity Corporation (DAEOC), was held at Dexter Apartments II on October 8, 2004. This residential facility has 28 newly remodeled units brought about through a unique financing package and partnership.

The 28 apartments were constructed twenty-five years ago with a loan closing on July 13, 1979, with financing by Farmers Home Administration which later changed its name to USDA Rural Development. Through a cooperative effort, MHDC and Rural Development assisted DAEOC and MACO Management, Inc., the owners of the apartment complex, with the renovation funds from a variety of sources. Improvements included new vinyl siding, new roofs, improved parking areas, new sidewalks, interior painting, energy efficient doors and windows, mini-blinds, plus new heating and central air units. All these improvements were completed in July, 2004.

We are very pleased to partner with the Missouri Housing Development Commission to assist this complex and other multi-family housing complexes across Missouri. It is through these relationships between lending agencies, Federal and State, as well as owners and management, that we can succeed in providing nice, affordable rental housing in rural areas.



Back Row: Kay Smith, Sherry Wood, Dena Lyons, residents of the complex, Deb Howard, Missouri Housing Development Commission, Natalie Riley and Steve Holden, Holden Law Office, Charlotte Dawson, MACO Management Co., Inc. (MACO) and Jason Fortner, MACO.

Front Row: Matt Mills, MACO, Carolyn Henson, MACO, Cherria Plunkett, MACO, Angie Miller, MACO, Cindy Northern, Rural Development, and Kelly Barfoot, MACO.

## POLICY CORNER

It is that time of year – **proposed budgets!** We hope that you are finding the sample template helpful to you in completing all of the required information. If you do not have a sample budget with detailed instructions, please contact the applicable area office.

We will be developing a similar example to assist you with the year end reports which will be due soon.

**Reminder:** If your property experiences flood, fire, roof problems, etc., be sure to notify the Area Rural Development Office **immediately**. We have had instances of fires burning units or buildings, storm damage, drug raids, or other adverse issues, and have not been notified until we either receive tenant or congressional inquiries. Please keep us informed as to what is happening at your complex so we can adequately address inquiries.

**FDIC Requirements:** While conducting management reviews across the state, we have found there is some confusion on the FDIC requirements. The bottom line is that the maximum per entity that can be in a single bank is \$100,000 regardless of the number of individual accounts unless the bank is willing to increase the FDIC limit. If you have this situation, you will need to discuss options with your current bank or move part of the funds to another banking institution.

### SOCIAL SECURITY BENEFITS

Social Security Benefits will increase 2.7% for calendar year 2005. Each recipient of these benefits is provided with a letter from the Social Security Administration advising them of the amount of their monthly benefit. You should use the GROSS amount of the benefit as income for the purpose of tenant certification.

### UNEMPLOYMENT BENEFITS

We have noticed some variations in the way unemployment income is handled during the tenant certification process. Each recipient of unemployment benefits receives a letter from the Missouri Division of Employment Security telling them the amount of benefits to which they are entitled, and their weekly benefit amount. The tenant certification must be based on the weekly amount the recipient is entitled to receive multiplied times 52 weeks. The tenant must re-certify at the time he or she receives the last benefit check or begins a new job.

# PAYMENT CENTER HIGHLIGHTS

## MINC ENHANCEMENTS

**MINC PASSWORDS** – We have had a lot of confusion regarding ID's and passwords used with the MINC system. Below are some bullets that might clarify any confusion.....

- ❖ When you sign up for MINC, you will have an ID that begins with TP. If you have the TP ID and password, you are the "Super User" and you are the one who sets up and maintains the MA (Management Agent) user ID's (you establish and maintain MA User ID's).
- ❖ If you have an MA ID, you are the one who is responsible for inputting tenant certifications, vacates, RA assignments, etc.
- ❖ If you receive a message that your MA password has been suspended, the one with the TP ID is responsible for resetting the password.
- ❖ If the TP password is suspended, you would need to contact the State Office and we can reset those for you.
- ❖ If you have further questions, please refer to your MINC Training Handbook, pages 5 through 23, or call our office.

Speaking of passwords, we wanted to let you know that all **TP and MA passwords will expire every 90 days** and you will have to create another password for your ID. These passwords must be at least 8 characters and at least one of those characters must be a number (example: *winter04* would be acceptable whereas *applepie* would not). **You also cannot utilize the same password for 10 years.**

**YOU ARE IN CONTROL!!** - Effective August 31, 2004, the MINC system has added an enhancement that gives the ability for the Management Company to limit the MA user's ability to approve worksheets and/or send the payment. Through the MA user setup, the Management Agent can give the user the ability to approve the worksheet but not the ability to send the payment via PAD (Pre-Authorized Debit) or the ability to approve the worksheet and send the payment via PAD. The current default is set to allow all users the ability to perform both functions. To withdraw authorization, simply click the box Online Payment Approval on the MA user set up page. The checkmark disappears and the user is not authorized to approve PAD payments. For further instruction, see the MINC Training Manual, page 12 and 13, provided on the MINC website at <https://usdaminc.sc.egov.usda.gov>.

**Late Fees** – A new feature on the Project Worksheet is the addition of Late Fee amounts. If you are late making your payment and you are a Predetermined Amortization Schedule System (PASS) borrower, your late fee will show on the following month's worksheet. If you are showing a late fee, please be sure to get your payment in prior to the first of the next month in order to avoid interest being accrued on the delinquent principle amount.

## AUTHORIZATION AGREEMENT FOR PRE-AUTHORIZED PAYMENTS (PAD SIGN-UP FORM) –

Good news! This form is now available as a fillable form! If you would like to sign up for PAD and would like to use the fillable form, just access our website at <http://www.rurdev.usda.gov/mo/index.htm>. The link is on the left-hand side at the bottom of the column.

**COMPLEX UNIT NUMBERS** – As Rural Development staff have visited complexes across the state, we have noticed that some of the unit numbers that show on the Project Worksheet do not match the unit numbers at the complex (and consequently your records). With the implementation of MINC, it is critical that the unit numbers that show up in our system match what you have in your records. If these do not match and you transmit a tenant action, your transmission will reject. If you notice that the unit numbers are not the same, please contact the Area Office and discuss this matter with them. The options are to either change the unit numbers at your complex and in your records or we change the unit numbers in our computer system.

## PROJECT WORKSHEET REVIEWS AND ADJUSTMENTS:

Thank you to those of you who are reviewing your worksheets each month! We are, however, still identifying a large number of discrepancies each month that require correction. This indicates many of you are not reviewing your worksheets. By properly reviewing the worksheets each month, you may be able to avoid costly penalties. Please refer to the sample Project Worksheet provided to you in last month's edition of this newsletter and review each area carefully. **If you discover differences please contact Linda, Frank or Rachel as soon as possible to avoid penalties.**

Some of you may have noticed **Adjustments** on your worksheets recently. These adjustments can be generated by the computer or manually entered by the Centralized Processing Center Team. Adjustments can be the result of late tenant actions (vacates, initial certifications or recertifications), collection of unauthorized Rental Assistance, rent increases, or any area that needs to be adjusted after a worksheet has been released. If you notice an adjustment on your worksheet and have questions, please contact Linda, Frank or Rachel. By working together and keeping the communication ongoing, we all should be able to enjoy the benefits of MINC. Thanks again for your cooperation!

## IT'S A BOY!

Rachel, Eric and Jared Hartman are excited to announce the arrival of:

**Kaden Thomas Fuller Hartman.**

Born at 5:26 p.m. Thursday, October 7th.

Weight 7 lbs. 15 oz. and 21' long.

Mom, Dad, Baby and Big Brother are doing great, and cards can be sent to Rachel via the State Office. Rachel is the Centralized Servicing Center processor for the Northeast and Midwest areas of Missouri, and part of central Missouri.

## ***READY..... SET..... MARKET YOUR PROPERTY***

- ❖ Protect yourself by screening your tenants.
- ❖ Keep a record of all inquiries or perspective applicants and follow up with a postcard thanking them for their inquiry.
- ❖ On day of move-in welcome the new occupants with a gift basket or pizza coupon.

## ***TOOLTIME TIPS***

***WINTERIZATION:*** Winter is right around the corner and with it comes some additional chores that need to happen to help prevent problems in the coming months:

- ◆ Central Heat – If you have central heating units, please check them to assure they are in good working order and clean. Faulty heating equipment is the leading cause of home fires during this time of the year.
- ◆ Smoke Alarms – All smoke alarms should be checked to determine if they need new batteries or totally replaced. Typically you would be replacing batteries every spring and fall.
- ◆ Dryer Vents – Check the dryer vents in your laundry facilities as they can clog up with flammable lint.
- ◆ Rain Gutters – Clogged gutters can lead to property damage so be sure they are clean and free from debris.

***CRAWLSPACE VENTILATION:*** During our inspections of properties across the state, we have noticed some problems with crawl space ventilation and moisture. We have seen openings with no covers which make them a safety issue in family complexes. We have also seen considerable moisture or water standing in the crawl space area. The space between the bottom of the floor joists and the earth should have ventilation openings through the foundation walls appropriately positioned to provide cross-ventilation of the under-floor space. *The installation of operable louvers is required at each said opening.* Hardware cloth of at least 0.035 inch wire mesh with the least dimension not exceeding 1/8 inch is required. Vents are to be opened in the spring as weather allows and closed in the fall prior to freezing winter. All crawl space areas are to be covered with a minimum of 6-mil plastic ground cover.

You should check regularly to determine if there is standing water in the crawl space. This is not acceptable and can cause many problems. Leaving it and doing nothing or taking the opening cover off for more ventilation is not an appropriate solution. You can consider installing a drain to the exterior of the building or, if this is not possible, the use of a sump-pump or equal means of removing water from this area is required. You should ensure that any discharge from a pump is delivered to the exterior and drained away from the building.

***ROOFING:*** Using metal roofing as a replacement for the usual asphalt shingle roofing is now being considered. We are in the process of researching the pros and cons as well as cost factors, life-span and durability. This is presently being done on a case-by-case request until further information and guidelines can be obtained. We are seeing plans to replace roofs on several of the proposed budgets for 2005 being submitted and would encourage each of you to look at all alternatives.

Missouri policy will be that we would not allow multiple layers of shingles in most cases. If an owner wants to put additional layers over the original without tearing it off, we would ask that the management company or owner contact the area office so that they can schedule a construction inspector visit to determine if this is feasible.

***MOLD:*** Do you have what appears to be mold at your complex? Did you know that the local Health Departments can come to the complex and test these substances? They can and will assist you in determining if the growth is mold and if so, what type. Please consider this source of help if you find a suspicious growth during your unit inspections or if reported to you by a resident

## ***LAST, BUT NOT LEAST.....***

We would like to thank each and every one of you for your hard work throughout this past year. We made a lot of changes affecting both our staff and our customers. Your patience and cooperation is greatly appreciated. Working together, we will continue to provide decent, safe and sanitary housing to moderate, low and very-low tenants, some of which may not have a home without you. Thanks once again, and we look forward to working with you throughout the coming years.

**USDA Rural Development is an Equal Opportunity Lender, Provider, and Employer. Complaints of discrimination should be sent to: USDA, Director, Office of Civil Rights, Washington, D.C. 20250-9410**

***PLEASE SHARE OUR NEWS WITH YOUR SITE  
MANAGERS AND MAINTENANCE PERSONNEL.***